> **INSERT DISK 2**
> <u>U</u>tilities / <u>F</u>ile Maintenance / Restore DBF Files (Enter at the prompt)

CALCULATING RECOVERY VALUES

One of the RAVEN program design goals was to group and identify assets in databases and by codes to efficiently apply the various methods for calculating recovery values. The Loans and Other Real Estate Owned (OREO) are placed in a databases named **Raloan** and **Raoreo**. The overdrafts populate the **Raods** database through automatic transfer when the deposit databases are downloaded or utilizing manual input. Non-Loan assets, such as cash and due from, federal funds sold, securities, fixed assets, and other assets are transferred from the general ledger into the **Ranonl** database.

The RAVEN main menu bar option, <u>**Valuation**</u>, presents a **Valuation** sub menu that allows the user to select one of these individual asset categories and value those assets utilizing one of the following methods.

> **Mark-To-Market Sample** globally values *all sampled loans* in the **Raloan** database. Since many databases contain large populations of loans, this choice allows valuing on a mark-to-market basis. However, since it is very unlikely that all of the sampled loans in the database are mark-to-market loans (i.e., performing loans with regular cashflows), this method allows the user to save time by only valuing individual assets that are not considered mark-to-market assets.
>
> The second method allows the user to price **individual** Loans, OREO or Non-Loan assets under their corresponding menu items. If the user chooses the <u>**Loans**</u> menu item, there are four options for valuing *individual* assets in the **Raloan** database: **Mark-to-Market**, **Cash Flow Worksheet (CFW)**, **Price at Par**, and **Total Loss**. Choosing the <u>**OREO**</u> menu item allows the user to chose from three valuation options: **CFW, Price at Par, or Total Loss.** Finally, the <u>**Non-Loan Assets**</u> menu provides the same three valuation choices as <u>**OREO**</u>, with the addition of the ability to value loan servicing rights entered into the Non-Loan database using the **Servicing Rights Model**, which is currently under development.
>
> The third method for valuing the assets is the ability to reprice all of the CFWs at one time. This would be used if an assumption changed affecting the CFWs that had already been input. By choosing this option, the user reprices all of the affected assets without having to individually retrieve the valuation information for each asset. However, the CFWs must be printed individually.
>
> Note that Non-Loan assets are valued *individually*, not sampled like loans and OREO.
>
> **Overdrafts** can be priced in one of three ways: **Price at Par, Total Loss** or **Partial Loss**.

Valuation Options

RAVEN uses four methods to value loan assets: **Mark-to-Market**, **Cash Flow Worksheet**, **Price at Par**, and **Total Loss**. The loan assets can also be valued globally using the **Mark-To-Market Sample** which allows the sampled loan assets to be valued in one function. The **Mark-To-Market** function is also included as an option when valuing (pricing) loan assets individually. The assets contained in the **Raoreo** and **Ranonl** databases can only be valued using **Cash Flow Worksheet**, **Price at Par**, and **Total Loss**.

These four methods potentially affect four **factors** involved in the valuation of assets. These are **Credit Risk Yield Adjustment, Interest Rate Differential, Credit Loss/(Gain)**, and **Direct Disposition Expenses.**

- RAVEN computes the **Credit Risk Yield Adjustment** by applying the incremental yield over the base rate required by investors to compensate for additional risk of loss associated with non-interest rate factors such as collateral risks, underwriting deficiencies, credit history, and marketability considerations. This is only computed on performing loan assets.

- RAVEN computes **Interest Rate Differential** by applying the yield differential between the coupon rate borne by the asset and the comparable base rate for comparable assets. This is only computed on performing loan assets.

- The **Credit Loss/(Gain)**, determined by the file reviewer, represents the difference between an asset's book value and the estimated recovery (sales price or payment stream) of that asset.

- The file reviewer also determines the **Direct Disposition Expense** which is related to owning, operating, foreclosing on, or selling an asset.

All of these calculations are present value calculations which reflect the **"time value of money"** theory.

The chart below displays the valuation (pricing) options and indicates the types of income/expense or loss/gain items which may occur with each valuation scenario:

Mark-to-Market

Credit Risk Yield Adjustment -	YES
Interest rate differential -	YES
Credit Loss/(Gain) -	NO
Direct Disposition Expenses -	NO

Cash Flow Worksheet

Credit Risk Yield Adjustment -	NO
Interest rate differential -	NO
Credit Loss/(Gain) -	YES
Direct Disposition Expenses -	YES

Price at Par

Credit Risk Yield Adjustment -	NO
Interest rate differential -	NO
Credit Loss/(Gain) -	NO
Direct Disposition Expenses -	NO

Total Loss

Credit loss only - no other expenses

Recovery Terms

The valuation methods discussed on the previous pages provide the user with the **Fair Value** of each asset. This amount appears on the **Cash Flow Worksheet (CFW)** and on the tables in the final AVR report.

Fair Value - an estimate of the value for asset(s) if sold to outside investors. This calculation considers all of the factors in determining the value for assets.

Mark-to-Market Pricing

RAVEN's **"pricing to fair value"** function uses loan types to calculate recovery values based on the current **market terms** entered in the **Assumptions** module. RAVEN determines the loan type from data contained in the **Raloan** database and derives cash flows depending on the loan type. *Market value is determined using the cash flows, discounted to the "as of date," in association with the market terms.*

The two primary considerations for these loan types are maturity and interest coverage of the payment (i.e., interest only, negative amortization).

RAVEN derives loan maturities from two sources; the *"stated"* or contract date and the date *"implied"* by the terms of the loan. Given the principal balance, interest rate and periodic payment, the remaining number of periods to full amortization is the *implied* maturity. For example, a balloon loan might have a *stated* maturity of five years, but the balance, rate, and payment might reflect an *implied* maturity of twenty years.

For calculation purposes, RAVEN converts the time to maturity into periods. RAVEN determines the loan type in the following order:

	Loan Type	**Condition**
1.	MATURED	-Stated maturity < 1 (less than one period remaining)
2.	INTEREST ONLY	-Payment covers interest only
3.	NEGATIVE AMORTIZATION	-Payment does **not** cover interest
4.	BULLET	-No payment amount
5.	BALLOON	-Implied maturity > Stated Maturity
6.	REDUCED TERM	-Implied maturity < Stated Maturity
7.	TERM	-Implied maturity = Stated Maturity
8.	REVOLVING LINE	-No maturity date

Cash Flow Worksheet

The Resolution Team uses the **Cash Flow Worksheet (CFW)** valuation tool for assets with anticipated irregular cash flows, assets where the reviewer expects less than full recovery of book value, non-performing loans, matured loans, or assets **not** expected to be sold by DRR in a bulk sale scenario. This method can be applied whether the holder (current or expected holder) of the asset/note is the bank, DRR, or an outside investor. Off-line, a file reviewer compiles the detail for input. In general, the reviewer must make judgements about the collectibility/recovery based on the borrower's payment history, income stream of the collateral, business, or employment, and reversion value (the expected recovery from the sale of the collateral in the future) of the collateral. The reviewer calculates the reversion value off-line using the appropriate method(s) (i.e., NADA value, square foot cost (from market survey), comparable sales, etc).[1]

The **CFW** is a five-year, net present value cash flow valuation model that details direct sources of revenue and expenses to the asset holder. In the first two years, the revenue and expenses are input quarterly; in the next three years, the amounts are input annually. RAVEN nets these amounts to a single figure for each period and then discounts the figure to the present ("as of" date) using the individual discount rate created for each sampled asset.

Price at Par

The user selects this option when the file reviewer estimates a 100% recovery of the asset's book value and determines that indirect expenses are the only applicable expense. **Price at Par** is most often used in the valuation of cash and certain other non-loan assets.

Total Loss

Select this option when no recovery on collateral value is expected. All loss is applied as a credit loss.

---

1 Specific techniques of credit analysis are beyond the scope of this manual.

DEMONSTRATION & EXERCISES

A. Printing ADS Sheets for the sampled loans has been modified to allow the printing time required to be cut to a minimum. The processes of printing ADS sheet requires a two step procedure as described below.

1. From the Main Menu, click on **<u>R</u>eports** / **Asset Data Sheet**

   RAVEN displays a drop down menu that allows for three different group choices for the printing of ADS forms.

   a) **Individual -** This option allows the user to print ADS's for individual Loan, OREO, and Non-Loan assets. This choice prints the specific asset information and the **Templet** graphics on one form.

   b) **Sample** - Contains specific asset information for Loans, OREO, and Non-Loan assets in the sample.

   Select this option to transfer the specific sampled asset information to the upper one-third of the Templet form.

   c) **Templet**

   This is a blank form that provides the bottom two-thirds of the ADS form. The **Templet** does not include specific asset information at the top. The user prints this form and copies are made for the number of assets in the sample. These forms are then inserted into the printer for completion of the printing process. The top of the form prints utilizing the information that is presented in item b.

2. Click on **Loans-Sample**

   a) The **Branch Grouping Confirmation** window is displayed asking, *"Do you wish to have the loan ADSs grouped by branch? Yes/No"*

   b) The **Sample Sort Order** window is displayed with *"Name / Account Number"* options

   c) RAVEN displays the **RAVEN Report Options** window requesting the user to: *"View / Print / Exit"*

3.   Click on **Exit**

B.   Printing an Individual ADS

    1.   **<u>R</u>eports** / **Asset Data Sheet**

    2.   Click on **Loans - Individual**

        RAVEN displays the **Sample Sort Order** window stating *"Please make a selection."*   and prompts the user to chose one of the following sort orders:

Name	Account Number

    3.   Click on **Name**

        RAVEN displays a **Loan Sample** window sorted in ascending name order.

    4.   Click in the **Borrower's Name** window and arrow down or scroll down to **EAUTY RAGS I**

    5.   Highlight by clicking on **GELL MARGARET**

    6.   **Enter** or **click the right mouse button**

        RAVEN displays the RAVEN **Report Options** window requesting the user to:

View	Print	Exit

    7.   Click on **View** or **Print** (if connected to a printer)

    8.   **<u>Z</u>oom in** and look at form

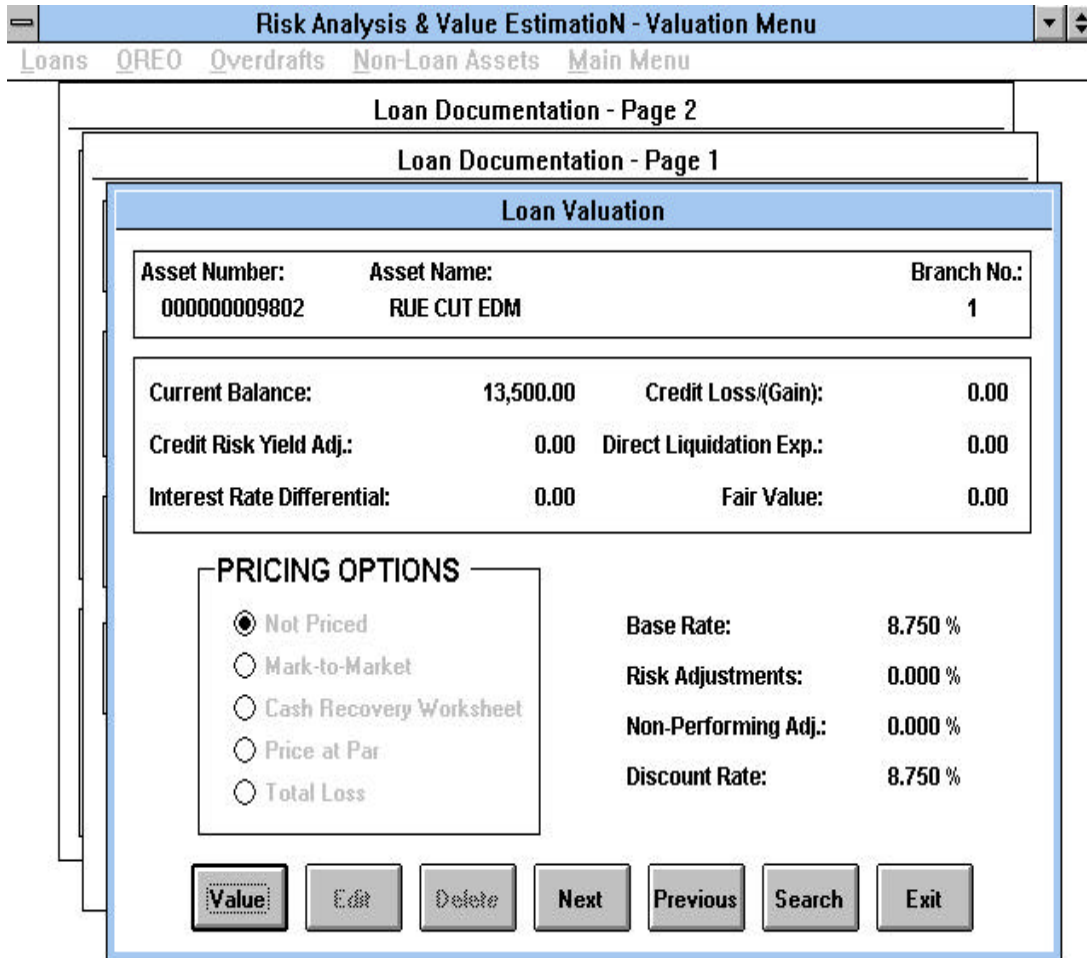   9.   Click on **<u>O</u>K / Exit**

    10.   Click on **<u>M</u>ain Menu**

D.   Pricing Individual Loans/OREO

1.   **<u>V</u>aluation** / **<u>L</u>oans / Individual Loan**

RAVEN displays the Loan Valuation screen as shown below:

2.   Locate desired record

    a)   Use **Search** function

        i)   Click on the **Search** button

        ii)   Put cursor in **Borrower's Name** field to search by asset name. Click anywhere in column. (The database re-sorts to alphabetical order)

        iii)   Begin typing name of record: **CCRORY TOM M**
Check: Asset # for this record is **044968911001**

        iv)   User may employ this method to search on the **Asset Number** and the **Borrower'   s Name** fields.

    b)   Scrolling

        i)   Put cursor in field corresponding to search criteria

        ii)   Put cursor in **Asset #** field to search by loan number. Click anywhere in column.

        iii)   Click on up or down arrows on the right of the screen until the following record appears on the screen: **000040493607**
Check: Name of this record is **OORE JAMES G**

    c)   To review the loan data or price an individual asset, press **Enter** or **click on the right mouse button.**

        NOTE:
        These same instructions for searching for individual assets are identical for Loans, OREO, and Non-Loan assets.

3.   The **Loan Valuation** window contains the following sections:

a)   Top: **Asset Number, Asset Name, Branch No.**

b)   Middle:

Current Balance	Credit Risk Yield Adjustment	Interest Rate Differential
Credit Loss/(Gain)	Direct Liquidation Expense	Fair Value

c)   Pricing Options:

Not Priced	Mark-To-Market	Cash Flow Worksheet (CFW)
Price at Par		Total Loss

4.   **Loan Documentation - Page 1 and Page 2**

a)   The **Documentation Checklist/Loan Pricing Worksheet** (**DC/LPW**) is completed by the reviewers to build individual discount rates for each loan in the sample. Each checked item on the **DC/LPW** will add a certain number of basis points to the **Base Rate**. The **Base Rate** was input in the **Assumptions** module.

b)   The schedule chosen in the **Assumptions** module determines which fields are active for each loan. Active fields are bold, inactive fields are gray.

   For Example: **Mtg Insurance** will only be active for those loans on the **Single Family Residence** schedule.

c)   For Non-Performing loans, the user checks one of the three boxes in the **Non-Performing Cash Recovery** box.

d)   The additional basis points are added up within RAVEN, and shown under **Risk Adjustment** (Performing loans) or **Non-Performing Adj** (Non-Performing loans) in the **Loan Valuation** window.

e)   Once the asset is valued, prior to saving, the user **must** print the **DC/LPW**.

5.   Select method of pricing

a)   **Not Priced**   =   Default setting

b)   **Mark to Mkt**   =   Mark to Market
                                Used for performing loans
                                No credit gain or loss expected

c)   **CFW**   =   Cash Flow Worksheet
                                Used for non-performing or matured loans
                                Used for loans where
                                gross cash recovery < gross book value
                                Used for OREO
                                Credit gain or loss expected

d)   **Price at Par**   =   Used for fully secured CD loans

e)   **Total Loss**   =   Total credit loss
                                Used for loans and OREO

6.   CFW Pricing

a)   Click on **Value**

b)   Click on the **Cash Flow Worksheet** radio button

      RAVEN displays the CFW screen which includes two windows: **FDIC Cash
      Flow Worksheet** window and the **Control Push Button** window.

      i)   **FDIC Cash Flow Worksheet**

            The **FDIC Cash Flow Worksheet** window contains a blank CFW.
            The CFW contains income and expense categories in a vertical column
            on the left side of the screen and shows time periods in a horizontal
            row at the top of the screen.

ii)   **Control Push Button** window

The **Control Push Button** window contains the seven control buttons common to RAVEN and three fields, **Category, Line** and **% Owned**. The CFW contains four different income and expense categories. Those are **Debt Repayment**, **Direct Operating Income**, **Direct Operating Expenses** and **Direct Liquidation Expenses**. The **Category** field informs the user of the particular income or expense category that is in use. The **Line** field informs the user which input line, within one of the four categories, the cursor is in. These two fields are useful for input when the user has to input cash flow information in Qtr. 5 or higher, because, the income and expense lines on the left axis of the spreadsheet are no longer visible to the user.

The buttons in the Control Window are as follows:

Calc	**Cancel**	**Clear**	**View**	**Print**	Search	**Exit**

Calc   =   Calculates the discounted recovery from the cash flows input on the CFW

Cancel   =   Cancels input prior to saving

Clear   =   Clears all data in CFW

View   =   Allows the user to view a CFW prior to printing

Print   =   Prints the CFW form after input and calculation

Search   =   Disabled

Exit   =   Takes the user back to the asset Loan Valuation window

c)   Select an **Income/Expense** row on the CFW by clicking in the appropriate row and column.

d)   Click on **Collateral or Asset Sales** in **Qtr 2** in the upper window.

e)   Enter **"1500"**   (Enter)

        NOTE:
        After pressing (Enter), the cursor moves to Quarter 3. The user must be
        aware of which quarter the cursor is in to ensure proper input.

f)   Arrow down using the arrow key until Quarter 2, **Legal & Collection Fees**
        is highlighted.

g)   Enter **"150"**   (Enter)

h)   Arrow down using the arrow keys until Quarter 2,   **Sales Expense &**
        Commissions is highlighted.

i)   Enter **"150"**   (Enter)

j)   Arrow down using the arrow keys until Quarter 2, **Storage Fees** is
        highlighted.

k)   Enter **"100"**   (Enter)

l)   Click on **Calc**

m)   Click on **View**

n)   Click on **OK** / **Exit**

        RAVEN returns to **Loan Valuation** window

o)   Click on **Cancel** / **Yes**

E. Pricing Non-Loan Assets

1. **<u>V</u>aluation** / **<u>N</u>on-Loan Assets** / **Individual Assets**

    RAVEN displays the **Non-Loan Asset Valuation** window

2. Locate desired record

    a) Use **Search** function

        i) Click on the **Search** button in the menu bar.

            RAVEN displays the **Non-Loan Asset Valuation** window and allows that user to search using the **Asset Number** field.

        ii) With the cursor in the **Asset Number** field, type:

            "161000"

        iii) Cursor moves to **Institution Building**

        iv) User may employ this method to search for any **Non-Loan Asset**

    b) Scrolling

        i) Put cursor in field corresponding to search criteria

        ii) Put cursor in the **Asset Number** field to search by non-loan asset number. Click anywhere in column.

        iii) Click on up or down arrows on the right of the screen until the desired record is highlighted.

    c) **Next** or **Previous** button

        The user may click on the **Next** or **Previous** buttons to locate the next or previous numerical record.

EXERCISE

Using either the search or scrolling method, locate the following record:

Description: **Cash and Due From**   Asset Number: **101000**

3.   Press (Enter) or **click the right mouse button**

RAVEN displays the **Non-Loan Asset Valuation** screen which contains the following sections:

4. Select Method of Pricing

    a)   **CFW**   =   Cash Flow Worksheet
                                                GCR < GBV
                                                Credit gain or loss expected

    b)   **Price at Par**   =   No credit gain or loss expected

    c)   **Total Loss**   =   Total credit loss

    d)   **Servicing Rights
Model**   =   Value Loan Servicing Rights

5. Price **Cash** at par

6. Click on **Value**

7. Click on **Price at Par** in the Pricing window

8. Click on **Save**

    At this point, user is finished pricing this asset.

9. Press **Exit**

    The user returns to the **Valuation Menu**.

EXERCISE

Price the following Non-Loan assets at par:

1.   **Time Due From**
2.   **Federal Funds Sold**

The next page provides the answers for the correct **Current Balance**, **FDIC Liquidation Value**, and **Indirect Expenses**. Check the Output screen to ensure that the totals match the table on the following page.

Non-Loan Asset	Current Balance	Fair Value
Time Due From	$171,768.53	
Federal Funds Sold	$1,432,036.04	

EXERCISE ANSWERS:

Non-Loan Asset	Current Balance	Fair Value
Time Due From	$171,768.53	$171,768.53
Federal Funds Sold	$1,432,036.04	$1,432,036.04

F.   Pricing Overdrafts

As stated earlier in the **Deposits** module, overdrafts automatically load into the **Overdraft** database when the **Deposit** database is loaded. If the user decides to load the overdrafts as one total and not as individual accounts, then in the mapping process for the overdrafts, the accounts should be totaled and either left in the database for transfer as one account or deleted and manually entered into the **Raods** database through **Data / ODS / Manual Entry/Edit.**

1.   **Valuation / Overdrafts**

RAVEN displays the **Overdraft Valuation** window:

Overdraft Valuation

Asset Number: 1038

Asset Name:

   CITY OF LAKE DALLAS

Branch Number: 2   Pool Disposition: [   ]

Current Balance:
                                    777.90

Credit Loss/(Gain):
                                      0.00

Fair Value:
                                    777.90

┌─ PRICING OPTIONS ──────────────────┐

  ● Price at Par   ○ Total Loss   ○ Partial Loss

└────────────────────────────────────┘

[Value] [Edit] [Delete] [Next] [Previous] [Search] [Exit]

2.   Click on **Search**

3.   Highlight asset number **1200** by clicking on the number

4.   Press **enter** or **click the right mouse button**

5.   Click on **Value** to activate the Pricing Section

6.   Select method of pricing

     a)   **Price at Par**   =   All overdrafts have cleared and there is no loss.

     b)   **Total Loss**   =   None of the overdrafts have cleared and there is no recovery.

     c)   **Partial Loss**   =   Some of the overdrafts have cleared and there is a partial recovery.

     NOTE:
     Overdrafts are automatically Priced at Par during the Load function.

7.   Click on **Partial Loss**

RAVEN displays the **Overdraft - Partial Loss** window with the following message:

     "Overdraft Balance of $ 0.00"

8.   Input balance of *"-6,000.00"*   (Enter)

This input tells RAVEN that $6,000.00 of this overdraft has not cleared and is considered a loss giving this account a **Fair Value** of **$896.32.**

9.   Assign a **Pool Disposition** to the Overdrafts. The options are: **Required, Optional** or **Not Offered.**

        NOTE:
        All Overdrafts have the same disposition. Once the user chooses a Pool Disposition for one Overdraft, it applies to all Overdrafts.

10.   Click on **Save**

11.   Click on **Exit** when finished

EXERCISE

Follow the steps below to locate, review, price, and approve the assets found in the table:

1.   Locate the asset

2.   Review the pricing method; change pricing if necessary

         HINT:
         Refer to the example information found in section 24 to value the assets in this exercise

3.   Refer to the output screen in RAVEN and write the FDIC Fair Value in the table

4.   Check the answer key

Loans/OREO

Name	Asset Number	Pricing Method	Fair Value
AUL ALLEN (REO)	999040	CFW	
OLD'N TRIANG	000030056001	Total Loss	
ALLEY SUSAN	000051243002	Mark-to-Market	
LIED RECYCLING	000061009002	Mark-to-Market	
ARD DARRELL	000036055802	Total Loss	

ODS

Name	Asset Number	Pricing Method	Partial Loss	Fair Value
MOORE	1202	Partial Loss	$5,500	
DISH	1207	Partial Loss	$6,750	

The answers to the exercise are found on the following page.

EXERCISE ANSWERS:

1. $12,704.14

2. $0

3. $1,241.92

4. $57,323.89

5. $0

ODS Answers

1. $6,089.35

2. $7,848.89

EXERCISE

Locate and review the Non-Loan assets listed in the table below. Ensure that the asset is priced correctly by referring to the answers on the next page.

Name	Asset Number	Pricing Method	Fair Value
BUILDINGS	161000	CFW	
OTHER ASSETS	191000	CFW	

The answers to the exercise are found on the following page.

EXERCISE ANSWERS:

1. $1,172,943.46

       NOTE:
       The Discount Rate should be 8.208% for this asset. The user should have put 1.508%
       in the Risk Adjustment field.

2. $986,373

SUMMARY EXERCISE

This summary exercise consists of a series of tables containing various valuation input and output information. Complete the tables using the ADS or CFW sheets, found in section 24, for each asset. CFW data must be input into RAVEN exactly as shown on the CFWs to produce the correct output data.

Follow the steps below to complete the summary exercise:

1. Locate the asset in RAVEN
2. Value the asset
3. Complete the required information in each table
4. Check the answer key to determine if asset has been priced correctly

If the user has difficulty remembering the keystrokes to locate or value the asset, refer to the pages in your manual that were covered during the demonstration. Check the answers to the table by referring to the answer key that is provided as the very last page in this section.

1.   ASSET NAME: GELL, MARGARET   ASSET #:   707005705

Refer to ADS

Category	Amount
Current Balance	$26,285.96
Fair Value	
Credit Risk Yield Adjustment	
Interest Rate Differential	
Credit Loss/(Gain)	
Base Rate	
Risk Adjustment	
Discount Rate	

2.   ASSET NAME: RLD CLASS RESO   ASSET #:   000000034907

Refer to ADS

Category	Amount
Current Balance	$39,156.53
Credit Loss	

3.   ASSET NAME: EALTY GROWTH   ASSET #:   999043

Refer to ADS/CFW

Category	Amount
Current Balance	$84,833.00
Fair Value	
Credit Loss/(Gain)	
Direct Disposition Expense	
Base Rate	
Risk Adjustment	
Discount Rate	

4.   ASSET NAME: INVESTMENT IN SUBS   ASSET #:   140000

See ADS/CFW

Category	Amount
Current Balance	$2,000,000.00
Fair Value	

5.   ASSET NAME: PREPAID MAINTENANCE   ASSET #:   192100

Total Loss

Category	Amount
Current Balance	$110,200.58
Credit Loss	

6.   ASSET NAME: PREPAID INSURANCE   ASSET #:   192000

Refer to CFW

Category	Amount
Current Balance	$234,429.58
Fair Value	
Credit Loss/(Gain)	

7.   ASSET NAME: U.S. TREASURY SECURITIES   ASSET #:   121000

Refer to CFW

Category	Amount
Current Balance	$1,500,000.00
Fair Value	
Credit Loss/(Gain)	

8.   ASSET NAME: U.S. AGENCY SECURITIES   ASSET #:   121500

Refer to CFW

Category	Amount
Current Balance	$2,703,385.65
Fair Value	
Direct Liquidation Expenses	
Credit Loss/(Gain)	

SUMMARY EXERCISE ANSWER KEY

1.   ASSET NAME: GELL, MARGARET   ASSET #:   707005705

Refer to ADS

Category	Amount
Current Balance	$26,285.96
Fair Value	$27,272.38
Credit Risk Yield Adjustment	$242.00
Interest Rate Differential	$(1,228.43)
Credit Loss/(Gain)	$0.00
Base Rate	8.375%
Risk Adjustment	.500%
Discount Rate	8.875%

2.   ASSET NAME: RLD CLASS RESO   ASSET #:   000000034907

Refer to ADS

Category	Amount
Current Balance	$39,156.53
Credit Loss	$39,156.53

3. ASSET NAME: EALTY GROWTH ASSET #: 999043

Refer to ADS/CFW

Category	Amount
Current Balance	$84,833.00
Fair Value	$37,562.06
Credit Loss/(Gain)	$26,771.16
Direct Disposition Expense	$20,499.78
Base Rate	8.208%
Risk Adjustment	0.000%
Discount Rate	8.208%

4.   ASSET NAME: INVESTMENT IN SUBSIDIARY   ASSET #:   140000

See ADS/CFW

Category	Amount
Current Balance	$2,000,000.00
Fair Value	$395,204.68

5.   ASSET NAME: PREPAID MAINTENANCE   ASSET #:   192100

Total Loss

Category	Amount
Current Balance	$110,200.58
Credit Loss	$110,200.58

6.   ASSET NAME: PREPAID INSURANCE   ASSET #:   192000

Refer to CFW

Category	Amount
Current Balance	$234,429.58
Fair Value	$14,527.70
Credit Loss/(Gain)	$219,901.88

7.   ASSET NAME: U.S. TREASURY SECURITIES   ASSET #:   121000

Refer to CFW

Category	Amount
Current Balance	$1,500,000.00
Fair Value	$1,504,738.00
Credit Loss/(Gain)	($4,738.00)

8.   ASSET NAME: U.S. AGENCY SECURITIES   ASSET #:   121500

Refer to CFW

Category	Amount
Current Balance	$2,703,386.65
Fair Value	$2,704,500.00
Direct Disposition Expense	$0.00
Credit Loss/(Gain)	$(1,114.35)